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A replication study of the process in becoming a nurse entrepreneur

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**A REPLICATION STUDY OF THE PROCESS
IN BECOMING A NURSE ENTREPRENEUR**

A Thesis

Presented to

**The Faculty of the Department of Nursing
San Jose State University**

In Partial Fulfillment

**of the Requirements for the Degree
Master of Science**

By

Dawn Patricia Tamagni

May 1996

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ABSTRACT

A REPLICATION STUDY OF THE PROCESS IN BECOMING A NURSE ENTREPRENEUR

by Dawn P. Tamagni

This thesis identified the process by which nurses become entrepreneurs, some of the problems they encounter, and the strategies they use to overcome these problems. In this replication qualitative study, data were collected through the interview process using open-ended questions developed by Guess (1992). Thematic concept coding was used to name and categorize events that influenced the entrepreneurial process. Four stages emerged that were similar to those identified by Guess. The four stages are: (a) formative, (b) crystallization, (c) getting started, and (d) problems and strategies.

The results of this study indicated that all nurse entrepreneurs followed a similar process in becoming autonomous. These results have implications for all nurses wishing to become entrepreneurs and for curriculum development in schools of nursing.

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TABLE OF CONTENTS

Chapter	Page
1. INTRODUCTION.....	1
Problem Statement.....	4
Purpose.....	4
Research Questions.....	4
Definition of Terms.....	5
2. CONCEPTUAL FRAMEWORK AND REVIEW	
OF THE LITERATURE.....	6
Conceptual Framework.....	6
Review of the Literature.....	9
Entrepreneurial Characteristics.....	9
Foundation.....	13
Financing.....	16
Networking.....	19
3. THE METHOD.....	22
Research Design.....	22
Research Instrument.....	23
Data Collection.....	23
Research Sample.....	24

Chapter	Page
Human Subjects Approval.....	25
Analysis of the Data.....	26
4. ANALYSIS AND INTERPRETATION OF THE DATA.....	28
Sample Characteristics.....	28
Content Analysis.....	29
The Formative Stage.....	30
The Crystallization Stage.....	32
Getting Started Stage.....	34
Problems and Strategies.....	38
5. CONCLUSIONS AND RECOMMENDATIONS.....	45
Summary of Findings.....	45
Conclusions Regarding the Overall Process.....	48
Scope of the Study.....	52
Limitations.....	52
Recommendations.....	53
Summary.....	53
REFERENCES.....	55
APPENDIXES	
A. Interview Guide.....	61
B. Human Subjects Approval.....	63

APPENDIXES	Page
C. Information Letter.....	65
D. Informed Consent Letter.....	67

Chapter 1

INTRODUCTION

Economic pressures, social changes, and sophisticated new technology have brought about recent changes in the health care industry (Mason, 1992). Private industry along with hospital administrators have restructured the way in which traditional health care has been delivered. Many hospitals are cutting nursing budgets in an effort to save costs. The reduction of registered nurses in hospitals is causing an increase in the workload of the remaining nurses (Davis, 1994). Nurses are becoming frustrated with their work situations and are looking for alternative viable career choices.

Restructuring of acute hospital settings is occurring nation wide (Mahlmeister, 1995). Employers are changing the skill mix on hospital wards, using fewer nurses and more non-licensed personnel. The ability to find nursing positions in acute care has become a challenge among new graduates and seasoned nurses alike. Nurses are finding that they must use their creativity, not only in the service of better patient care, but also to save their own careers and economic lives (Bloice, 1995). The decline of the use of registered nurses in the acute care setting has forced nurses to rethink where the future of nursing lies.

The types of roles which nurses are assuming in health care today are vastly different than they used to be. While some nursing roles remain clinically

oriented, others are focusing on the business and management aspects of delivery of patient care (Davis, 1994). Increasing numbers of nurses are looking at entrepreneurship as a viable option to take control of their own career (Batra, 1990).

There are a variety of opportunities available to nurses who wish to become autonomous. Among these opportunities are: direct services, client education, clinical consultation, health promotion, and development of health care products. While the field of entrepreneurship has grown extensively in research, fundamental questions related to venture development and success remain unanswered. Research efforts have focused on traits of the entrepreneur, characteristics of the venture, levels of resources, and other initial conditions (Woo & Daellenbach, 1994). There is little information that describes the process by which entrepreneurs set up their venture and the obstacles they encounter.

Nurses in the hospital often identify patient needs and ways in which care could be delivered more efficiently. As these nurses try to implement new policies and changes, they often encounter resistance in the work place (Patterson, 1994). Although nurses in hospital settings often recognize needs in the health care market, few actually explore or develop their creative entrepreneurial ideas. A contributing factor may be the lack of formal training or education for expanding nursing ideas into businesses. Ives and Kerfoot (1989)

believed that more nurses would choose a career path of entrepreneurship if classes, literature, and supportive resources were made readily available.

Graduate students in nursing programs are demonstrating increased interest in developing health care delivery businesses (Batra, 1990). Current research identifies only one nursing school that incorporates entrepreneurship into their curriculum. D'Youville College in New York prepares graduate nursing students for the entrepreneurial role by including a Nursing Entrepreneurship project as part of their graduate program. Students are socialized into the new role of entrepreneurship by actually going through the process of setting up a business. In response to the growing number of nurses wanting more autonomy, the business magazine, Nurse Entrepreneur, has been developed to provide nurses with literature directed at entrepreneurship.

In personal conversation with this researcher, a professor from the School of Business at San Jose State University (May 15, 1995) has indicated that an increasing number of nurses are entering the Master's of Business Administration program in an effort to increase their business skills. As more nursing professionals find themselves with fewer traditional career options, nursing educators may realize the importance of offering curricula which incorporates business skills to enhance the career opportunity of entrepreneurship.

Problem Statement

Corporate health care, and particularly the managed care sector, is growing stronger daily. Restructuring is expected to continue into the millennium (Bayer, 1995). Lay-offs, increasing numbers of non-licensed personnel, and cutbacks in wages and benefits have forced nurses to look outside of traditional methods of health care delivery. Registered nurses who survive hospital restructuring are working in areas where patient care standards have declined and workloads have sharply increased. Research shows that dissatisfaction and burnout are some of the reasons why nurses are looking into entrepreneurship as an alternative to hospital work. Research also explains why some nurses are opting to get out of traditional roles. They do so, because they are seeking more autonomy and higher incomes (Patterson, 1994).

Purpose

The purpose of this replication study is to investigate the process by which nurses become entrepreneurs. This study will also examine some of the problems they encountered, and the strategies they used to overcome them. As changes in the health care delivery system continue, nurses may need to expand their traditional careers to other viable health care opportunities.

Research Questions

This study will address the following questions:

1. What is the process by which nurses become entrepreneurs?

2. What are the problems encountered and the strategies used to overcome them?

Definition of Terms

For the purpose of this study, the following definitions apply:

1. Nurse Entrepreneur is a licensed registered nurse who has started, maintained, and owned a business for a minimum of 1 year.
2. Success is having a nursing related business for 1 year or more and receiving one's full income from the business.
3. Process is the steps a nurse entrepreneur used to develop a business.
4. Problems are the difficulties nurse entrepreneurs face in order to achieve success.

Chapter 2

CONCEPTUAL FRAMEWORK AND REVIEW OF THE LITERATURE

Conceptual Framework

The future of the nursing profession is uncertain, yet it is likely that more creative and motivated nurses will seek to run their own businesses. Current research focuses on entrepreneurial characteristics, extravagant rags to riches stories, and types of ventures initiated. Research describing the process by which one becomes an entrepreneur is very limited.

To gain more insight into the process of entrepreneurship, it was necessary to review the business literature. The previous study, A Descriptive Study of the Steps and the Obstacles Encountered in Becoming a Nurse Entrepreneur (Guess, 1992), utilized a theoretical framework developed by Burch (1986). The Entrepreneurial Model devised by Burch (1986) was also utilized as an organizing framework for this replication study.

Burch's (1986) entrepreneurial model delineates six major components of entrepreneurship: aspiring entrepreneur, foundation, collaborative affiliation, venture incubator, new business, and returns. Although each component is individually defined, Burch identifies how the first four elements interchange with one another to produce the final outcomes of new business and returns. Each of the following six components will be discussed in detail.

Burch (1986) describes the "aspiring entrepreneur" as the key component of a new venture. The entrepreneur is viewed as an individual who initiates change and offers creative innovations. An entrepreneur can see an opportunity and will take the risk necessary to develop and implement a new enterprise. Burch portrays the entrepreneur as a person who is opportunity sensitive and able to spot viable business opportunities.

The "foundation" is defined as the general environment in which the entrepreneurial process is initiated and a venture takes form. Included within the foundation are the regulatory and organizing bodies that guide and induce new business ventures. For example, within the foundation, specific laws and government regulations must be determined and adhered to prior to implementing a new venture. Other components of the foundation include financial elements, corporative support, and infrastructures needed to establish the framework for a new business. All of the regulatory and adjacent bodies which exist within the foundation help entrepreneurs to successfully achieve their initial objectives.

The "collaborative affiliation" represents the intellectual component of the model. It consists of research centers, universities, corporations, government agencies, and private groups which give guidance and expertise to entrepreneurs. The goals of the collaborative affiliation are to generate economic growth and stability for new business. These agencies help to

generate economic support and growth for the budding entrepreneur. They provide a collaborative and supportive partnership in which the plans for a new venture can move forward.

The combined experiences of the "aspiring entrepreneur," the "foundation," and the "collaborative affiliation" establish the fourth component, the "venture incubator." It is in the venture incubator where the business venture is initiated. Bringing the venture to full commercialization requires a wide variety of skills and support. Business plans, market analysis, production sites, supplies, and consultations are solidified. As new business emerges through the venture incubator, entrepreneurs are encouraged to regularly consult with experts. These experts include accountants, engineers, government officials, marketers, and the like. The results of research, consultation, regulations, financial support, and market analysis from the previous components come together to form the final two elements of the model: (a) "the new business itself," and (b) "the returns to the members."

Returns to the entrepreneur are diverse. Monetary rewards and profits are expected from a new business, yet this is not the only form of compensation. Burch (1986) explains that all components included in the entrepreneurship model are looking for returns. For example, new business creates new jobs, a significant return to all members of a society. Research centers and universities are interested in enhancing their image by supporting

successful business ventures. The success of one venture can produce investment opportunities for other businesses.

Burch's (1986) theoretical framework serves as an organizing guide for this study examining the process of entrepreneurship. It proved helpful for the selection of literature reviewed. Analysis of each component identifies critical information for successful business initiation. Burch's Entrepreneurship Model helps with the discussion about the process of becoming an entrepreneur.

Review of the Literature

Literature which pertains to the actual process in which nurses become entrepreneurs is limited. Most publications discuss entrepreneurial qualities, specific product or service developments, or various resource agencies needed for venture start-up. Very few articles are dedicated to describing the details of the process through which a person becomes an entrepreneur. The greatest majority of nurses are female and an overwhelming percentage of articles addressed women entrepreneurs, therefore, this review of the literature used a description of she/her as it pertained to the entrepreneur. The following will be a review of literature divided into four categories: (a) entrepreneurial characteristics, (b) foundation, (c) financing, and (d) networking.

Entrepreneurial Characteristics

A research study by Huefner and Hunt (1994) proposes that entrepreneurial behavior occurs in many domains of life not just in business.

The authors applied the Entrepreneurial Attitude Scale to subjects working in business settings as well as in non-business settings. The researchers were trying to identify the core concepts of entrepreneurs. The findings revealed that consumer and business domains were equally able to recognize an opportunity and utilize the resources to take advantage of, or act on, that opportunity. This study found that it is not only those individuals working in business that have entrepreneurial capabilities; given the same circumstances, non-business entrepreneurs are just as likely to take advantage of an opportunity and produce a profit.

Collins (1989) describes an aspiring entrepreneur as a person with a pioneering spirit, an eye for opportunity, and a willingness to work hard. The author describes Lorene Reed, a registered nurse who searched for gaps in the health care field. The entrepreneur was able to identify a traditional hospital resource that had been cut from the budget and then developed one of the country's first agencies specializing in the needs of healthy newborns and moms. Collins views this nurse entrepreneur as a mature woman with a good sense of business, someone who had the entrepreneurial ability to tap into an unmet health care need.

Based on a meta-analysis relating to entrepreneurial characteristics, Burch (1986) identifies common personality traits in aspiring entrepreneurs. The entrepreneur has a need for achievement, desires responsibility, is a hard

worker, and has skills in organization. Burch also goes on to say, that although entrepreneurs want to make a profit, the desire to achieve is what drives the entrepreneurial venture. Success to the entrepreneur may be in the form of recognition or respect, as well as the monetary form.

In another study, Brown (1993) describes the importance of having a healthy inner-self as a major determinant to successful self-employment. An entrepreneur must have the ability to handle her company's fiscal fitness as well as balance her own physical fitness and mental health. She goes on to profile the entrepreneur as one with an entrepreneurial spirit, good self-esteem, and perseverance in making connections as integral components of a successful entrepreneur. Like Burch (1986), Brown contends that monetary rewards are important to the entrepreneur, but the personal satisfaction which comes with autonomy and doing excellent work in the field, empowers the individual for further responsibility and challenges.

In contrast to the views above, Driscoll (1994) believes if nurses want to successfully engage in entrepreneurship, they must begin by analyzing their own self-concept. "Nurses really need to work on themselves, on their own self-esteem first. They have to change the view they receive from the health care system, the view that they have limited value" (p. 3). Driscoll argues the notion that nurses need to develop tough-skin in order to deal with the rejection

of the business world. Driscoll further proposes that it is vitally important to develop a real belief in oneself and in the service one is trying to provide.

A study by Weinstein (1995) concluded that there is one characteristic which sets entrepreneurs apart from other people. "True entrepreneurs are extremely motivated people" (p. 103). According to Weinstein, entrepreneurs do not sit back and allow something to happen to them, entrepreneurship is the relentless pursuit of opportunity regardless of the resources at hand.

Most studies associated with characteristics of entrepreneurs concentrate on specific personality traits that are necessary for the entrepreneurial pioneer. Clark and Quinn (1988) interviewed nurse entrepreneurs on the subject of successful skills in business and found that many nurses believed they came well-suited for certain areas of the free market. A number of those interviewed singled out nursing's reliance on patient teaching as an extremely valuable tool in their business life. The ability to educate and communicate with people, along with the interpersonal skills gained in nursing, are emphasized as tremendous assets for the nurse entrepreneur.

Researchers describe a variety of characteristics associated with entrepreneurs. It is Hill and Narayana's (1989) contention that entrepreneurial characteristics are too diverse and complex to be generalized (p. 69). The general lack of consensus concerning entrepreneurial characteristics makes it difficult to generalize their importance in the study of entrepreneurs. In

agreement with Hill and Narayana, Sexton (1988) takes issue that to study enough entrepreneurial characteristics to make generalizations would take years of research and still may be very difficult to prove significant results. Sexton concludes that research efforts need to be directed towards strategies and techniques of small business owners rather than typical characteristics of entrepreneurs.

Foundation

Initiating a business venture requires a thorough understanding of local and state laws, as well as government laws and regulations. The extent of these mandates depends upon the venture initiated. One nurse entrepreneur started a business which involved offering counseling services to clients with mental health problems. She found it necessary to contact an accountant, bookkeeper, and a lawyer. The entrepreneur also identifies additional resources which gave her details of business knowledge (Patterson, 1994). These resources included: the Ministry of Industry, Trade, and Technology; The Federal Business Development; business advisory centers; and universities and colleges. The author goes on to describe the devastating effect laws and regulations may have on new business if the entrepreneur does not have a clear understanding of legal issues.

Andrew Caffey (1995), a nationally recognized expert in franchise and business opportunity law, reports that many promising new businesses fail to

comply with state and national laws regulated by the Federal Trade Commission. According to Caffey, in order to comply with business opportunity laws, it is imperative to identify each state's definitions. This can be a very challenging project since the definitions are different from state to state. Due to the complexities of mandatory laws and regulations, Caffey maintains that potential business owners should always consult with local small business associations to clarify those laws which pertain to their enterprise.

While the United States tax code and various governmental regulations are written to enhance orderly and civilized business ventures, Steve Mariotti (1994) believes they do virtually the opposite in America's inner cities. In 1987, Mariotti founded the New York City based National Foundation for Teaching Entrepreneurship, which teaches entrepreneurial skills to inner city young adults. Mariotti states his mission is to demystify business to his students. Mr. Mariotti denounces the 38,000 page United States tax code because it forms barriers to potential inner-city entrepreneurs who lack the money to hire lawyers, accountants, and consultants. Mariotti believes a major overhaul of the tax code and simplification of the business licensing process are vital for prospective entrepreneurs. "Promising entrepreneurs should be allowed to walk into city hall, register their business at one location for a nominal fee, and walk out with the necessary license" (p. 181).

Chun (1995) reports small business ventures have had a negative image among the media, bankers, Fortune 500 corporations, and even some small business advocates in recent years. He believes that this image may have originated from a false statement that has somehow become an urban legend. At some time, someone declared the statistics that 4 out of 5 small businesses fail in their first 5 years of operation. Chun argues the myth is in direct contrast to the 1994 research analysis done by Dun & Bradstreet (Chun, 1995). According to their findings, a census of 250,000 businesses showed that almost 70% of all firms which started in 1985 were still functioning in 1994. Chun reports the study found the true failure rate at less than 1% for all businesses established per year.

Nurse entrepreneurs have additional business complexities because they must not only comply with state and government regulations, they must also be very familiar with the Nurse Practice Act which governs their scope of practice. Studies suggest that nurses who may be interested in becoming self-employed often become discouraged and overwhelmed at the mere thought of all the red tape (Calfee, 1994).

Patterson (1994) states there is great potential for entrepreneurs in the health care arena. Nurses have the opportunity to expand services, which were once offered by hospitals, into innovative creations of their own. Nurse entrepreneurs, Dickerson and Nash (Clark & Quinn, 1988) are owners of Life

Wise, a company which offers services for adult children who care for their aging parents. The Life Wise partners discuss their lack of business skills and the importance of utilizing resources which turned them into knowledgeable businesswomen. They encourage aspiring entrepreneurs to attend workshops and lectures on legal issues in business.

Calfee (1994), a licensed attorney as well as a registered nurse, contends there are adequate resources available for nurse entrepreneurs, but they are not readily reported. She identifies the Small Business Administration (SBA) office, which is located in every major city, as a source of significant information. The SBA was formed by the Federal Government to give new businesses details about various licensure requirements. Calfee further advises that the SBA can offer advice and identify crucial resources which can make the difference between a positive business experience and a losing enterprise.

Financing

In addition to the very complex and cumbersome laws and regulations of a business venture, financial backing has been described in literature as a stumbling block to many entrepreneurs. There are various agencies which have provided funding, yet these options have steadily declined as economic pressures increase (Gilder, 1992). The literature identifies a number of financial sources for nursing entrepreneurs including banks, private individuals, large corporations, research institutes, and government agencies.

In contrast to Gilder, Paul Gompers (Nulty, 1995), an Assistant Professor of Finance at the University of Chicago Business School, reports "This could be the best time in decades to run a small business" (p. 124). Gompers declares that more money will be flowing into the small-business sector from a growing number of sources. Venture capitalists have been allocated more monies than ever before. Nulty goes on to say that Asset Alternatives Corporation reported funds committed to venture start-ups by large investor firms have increased from \$1.4 billion in 1991 to \$4.2 billion in 1994.

There are an increasing number of nonbank providers who are allocating funding to small business ventures (Bianchi, 1995). The competition among loaning agents is growing. Financial experts report there is every indication that banks are looking to small business sectors now more than ever. David Aloise, Director of the Small Business Bank Unit at the Bank of Boston, says, "Small is where the growth is" (Bianchi, 1995, p. 34). Aloise claims that banks are increasingly relying on small entrepreneurial companies for investment because those companies are the economy's job generators which are boosting today's economy.

The Federal Government has exhibited more assistance to small business venture with the FDIC Improvement Act of 1991 (Nulty, 1995). This act requires all banks to specifically report all small-business loans in an effort to provide consumers with an accurate account of each institution's

small-business lending activity. The goal is to make more credit available to small business borrowers by increasing the consumers' knowledge of various banking institutions' lending services.

Barnett (1993) found venture capital to be scarce for nurses who wish to consider the option of self-employment scarce. The author has devised a resource packet for nurse entrepreneurs which offers information on funding opportunities. Barnett emphasizes aggressive investigation of as many funding sources as possible. Alternative sources such as charities and volunteer agencies should be included.

Financial support for any business can be difficult and health care service ventures are no exception. Entrepreneurs with health care businesses often do not show profitability for an average of 1 to 3 years (Collins, 1989). Consequently, it may be more challenging for nurse entrepreneurs to receive funding. Collins discusses the necessity for nurse entrepreneurs to occupy part-time positions as they pursue their business venture.

In agreement with Collins, Charles Cohen (1994), a specialist in career public-policy and financial issues, recommends that a person starting a new business should have at least 6 months to a year's worth of living expenses available. Cohen remarks that even with the best market strategies and financing available, one cannot know if a business will fail or not. Cohen encourages all entrepreneurs to be prepared in the case of failure.

Networking

Throughout the literature, the importance of networking among aspiring entrepreneurs has been emphasized. Capen (1994), Chief Executive Officer of an advertising consulting firm, describes that one of the most valuable efforts an enterprising entrepreneur can do is network. Capen suggests contacting past professional acquaintances and attending professional meetings as primary sources of networking. Capen goes on to say it is also worthy to acknowledge someone who has written an article or made an interesting point in a panel discussion. In addition, Capen suggests joining the National Association of Women Business Owners as an excellent method to establish new business contacts.

A research study (Hazelton, Boyum, & Frost, 1993), which identified six roles of a nurse entrepreneur, describes how the subrole of collaborator or networker assists in enhancing the credibility and visibility of prospective entrepreneurs. Networking with other organizations, disciplines, and reimbursement agencies is recognized as vastly important for a successful venture. In addition to maximizing success, networking is an excellent way to offset the possibility of isolation when practicing independently.

Laura Brown (1993), a nurse entrepreneur, contends that resources for self-employed nurses are becoming more readily available. Brown identifies a booklet, The Self-Employed Nurse, which has been written to help

entrepreneurial nurses establish a full- or part-time business as a provider of nursing services. Included in the booklet is information which can help nurses understand services a self-employed nurse can offer, as well as what credentials are necessary to establish a business. It also offers practical business considerations such as developing a business plan and keeping records.

Brown (1993) suggests that networking with established nurse entrepreneurs is very beneficial for financial resources, as well as support for the venture itself. Brown discusses additional resources for funding such as: health maintenance organizations, third-party payers, Medicare, and Medicaid. Brown cautions aspiring entrepreneurs to keep up-to-date on information from these funding agencies because the regulations change frequently.

Anita Alberts (Littlejohn & Alberts, 1994), Executive Vice President of the National Association of Women Business Owners (NAWBO), describes how women business owners continue to gain strength through shared experiences. Women throughout the country are joining business women's organizations to form support when business troubles arise. When denied traditional sources of start-up funding, women began to look to alternative resources such as credit unions, cooperatives, venture capital, as well as credit cards as means to initiate new business enterprises. The NAWBO developed an "Angel Network"

where the organization finds corporations to sponsor new business ventures created specifically by women.

Carey Stacey (Littlejohn & Alberts, 1994), former national president of NAWBO, states, "It is especially important for us to come together and discuss our status, what the problems are, the advantages, the disadvantages, and see ourselves as part of the overall environment" (p. 20). It is estimated there are 6.5 million women business owners today, and it is predicted by the year 2000 one-half of all United States small businesses will be owned by women (Littlejohn & Alberts, 1994). Women entrepreneurs are affecting the economic, social, and political character of the country and it is essential to continue to gather together to share what has been learned and pass on survival strategies.

Chapter 3

THE METHOD

LoBiondo-Wood and Haber (1994) state that "qualitative research involves broadly stated questions about human experiences studied through sustained contact with people in their natural environments, generating rich, descriptive data that help us to understand their experiences" (p. 254). A researcher using qualitative methods selects participants who are experiencing the phenomena desired to be studied. There is limited data which articulates the process by which nurses become entrepreneurs, therefore subjective data collected through qualitative methods was the most appropriate research method for this study.

The Research Design

This is a replication study. It utilized a qualitative, exploratory research design to identify the process by which nurses become entrepreneurs. This study follows Guess' (1992) thesis entitled, A Descriptive Study of the Steps and the Obstacles Encountered in Becoming a Nurse Entrepreneur. Data were collected through interviews using open-ended questions developed by Guess. Each interview question was directed towards the process of business initiation. Data were compared for similarities and differences. Similar data were grouped to form categories. In addition, comparisons were made between those categories which arose from this study and those from Guess' original study.

The Research Instrument

The data collection instrument utilized for this study was devised by Kelly Guess (1992) for use in her thesis. The interview guideline includes 14 open-ended questions in an effort to provide an unstructured approach to responses. Each question follows a chronological order set up to enhance the recall of each respondent's business initiation.

Guess (1992) states the content validity for the data collection guideline was supported by the conceptual framework, the literature review, a faculty advisor, and input from a successful nurse entrepreneur. The basic format of the interview guide was derived from Burch's (1986) theoretical framework and focused on the components of the foundation, the collaborative affiliation, and the venture incubator.

Data Collection

This exploratory study utilized qualitative techniques for the collection and analysis of the data. Five nurse entrepreneurs met the criteria for this study and were asked to participate for this research. Each entrepreneur was identified through a personal reference. On the initial telephone contact, all five nurse entrepreneurs indicated a willingness to participate in this study, therefore no other entrepreneurs were contacted. Specific dates, times, and meeting places were confirmed with each participant. Prior to the interviews, consent forms (Appendix D) were reviewed and signed by each nurse entrepreneur.

The interview process took approximately 1 to 2 hours of time. Each interview began with an open-ended question in an effort to promote an unstructured flow of responses. The Guess (1992) interview guideline (Appendix A) was utilized in a chronological order to help guide the interview process. The interviews were tape recorded and written notes were taken with the permission of each respondent. The interviews were transcribed and all identifying information was removed to maintain anonymity.

At the conclusion of each interview, a thank-you card and a small gift were issued to each nurse entrepreneur as a token of appreciation. Each interview was given a code number for identification purposes. All information was destroyed at the conclusion of the research process. Data from this research were analyzed using concept coding.

The Research Sample

The sample population consisted of 5 nurse entrepreneurs in various business areas related to health care. Each of the participants has fulfilled the criteria for this study: (a) registered nurse licensed in the State of California, (b) entrepreneurs who earned their total income from their business, and (c) having had established their business for at least 1 year. Entrepreneurs were located by personal references to this researcher. Each participant was initially contacted by phone and their interest in the study was encouraging. Specific dates, times, and locations were established to discuss the process by which

they became entrepreneurs. There was no reluctance from any participant to discuss the process they went through in becoming an entrepreneur.

It was convenient to this researcher that all entrepreneurs who participated in this study resided in Northern California. Three of the respondents lived in Monterey County, one lived in Santa Cruz County, and one lived in Santa Clara County. The sample represented one "co-independent" practicing nurse and four consultants working in different specialty areas. The "co-independent" nurse practiced under the auspices of a physician. The four consultants' specialties were: (a) continuing education, (b) group process consulting, (c) productivity consulting, and (d) home-care specialist.

All of the entrepreneurs worked in the acute care area prior to business initiation. The amount of time spent working in the acute care area ranged from 3 months to 12 years. All the entrepreneurs had a baccalaureate degree; one had a graduate degree, another had a graduate degree and a nurse practitioner license. One entrepreneur had a doctoral degree.

Human Subjects Approval

Approval was obtained from the Human Subjects Institutional Review Board at San Jose State University (Appendix B). Each subject was told their participation was completely voluntary and they could withdraw from the research project at any time. Each participant was told all identifying information would be kept confidential. All participants verbalized an

understanding of explanation and subsequently signed a consent form to participate in the study.

Analysis of the Data

After each interview was transcribed, all names and identifiable information were removed from the data. Each interview was listed numerically, according to the date the interviews were obtained. The data were analyzed using concept coding. Concept coding provides a means to delineate categories from interviews (LoBiondo-Wood & Haber, 1994). A large chart was devised by this researcher. In the chart each interview is numerically identified along with a corresponding summary of responses to interview questions. Each interview was analyzed individually, line by line. Common phrases, terms, and activities that were articulated and identified were then placed into categories. As each category took form, specific responses from each interview were compared for similarities and differences.

The chronological progression through the entrepreneurial process showed three natural divisions. The first division was brought about by the acquisition of higher knowledge, and subsequent realization that the entrepreneurs could be independent. Although not a conscious process, advanced education was clearly identified as a catalyst to autonomy. As the entrepreneurs obtained a higher level of education, each evolved into advanced roles in nursing which subsequently led them to entrepreneurialism. The second

division occurred when each entrepreneur found they had something special to offer. One entrepreneur said, "I realized people were coming to me for my expertise" (Confidential communication, September 1995). The third division was when the entrepreneurs began to initiate formal steps to open a business and became autonomous. The final division manifested pertains to the second research question. It describes some of the problems encountered by the entrepreneurs and strategies used to overcome them. A total of 5 problems were discussed and analyzed.

Each division took form by specific responses and activities reported by the entrepreneurs. The divisions were very similar to Guess' (1992) thesis which she establishes as the formative stage, the crystallization stage, and the getting started stage (p. 37). These terms were also utilized in this study. As with Guess' thesis, subcategories which influenced the entrepreneurial movement were identified and listed. The subcategories from this study varied from those in the previous thesis.

Chapter 4

ANALYSIS AND INTERPRETATION OF THE DATA

The data from the study provided categories, descriptive of the process by which nurses become entrepreneurs. A total of five interviews were examined and analyzed. Data regarding the process by which each nurse became an entrepreneur were compared for similarities and differences. Common phrases, activities, and themes were identified and put into stages. The interpretation of the data is presented in the following order: (a) the sample characteristics, and (b) the data analysis of each interview describing the process by which nurses became entrepreneurs.

Sample Characteristics

The total number of nurse entrepreneurs contacted for participation in this study was five. All participants indicated a willingness to participate, therefore no further contacts were made. All the respondents were female. The length of business operation time ranged from 3 to 11 years.

Each business had various focuses within the health care field. The types of entrepreneurs were: co-independent practice nurse, productivity consultant, educational consultant, group process consultant, and home-care specialist. All of the businesses were private, for-profit enterprises. Two of the entrepreneurs' businesses demanded travel outside their geographic area of residence. All of

the entrepreneurs' income was derived solely from their businesses. Two of the entrepreneurs received reimbursement from third party payers. The remaining 3 entrepreneurs were paid cash for their services rendered.

Content Analysis

The data from the study were analyzed using concept coding. Each interview was broken down line by line. Common phrases, terms, and activities were identified and placed into categories. Concepts that emerged fit into categories and subcategories described by Guess (1992), yet the identified process did not necessarily follow the same time sequence. A total of 3 stages evolved from the data to answer the research question, "What is the process by which nurses become entrepreneurs?" Stage 4 specifically responds to the research question, "What are the problems encountered when becoming an entrepreneur?" A total of 5 obstacles were identified and discussed. The following stages with subcategories, which were devised by Guess, are listed and described as follows:

1. The formative stage
 - A. Acquisition of higher knowledge
 - B. Discontentment
2. The crystallization stage
 - A. Special skills
 - B. Exploring/networking

3. Getting started
 - A. Finding a niche
 - B. Process timing
 - C. Setting up
4. Problems and strategies

The Formative Stage

Information from the interviews indicated that the formative stage (Guess, 1992) emerged through an evolutionary process. Each entrepreneur began practice with a registered nurse's license in the acute care setting. After months to several years of practice, all five of the nurse entrepreneurs continued to broaden their scope of knowledge by receiving higher levels of education. The pursuit of additional education arose out of discontent connected with their initial work situations as registered nurses. Advanced educational preparation and discontentment make up the two subcategories of the formative stage.

Educational Component

The educational component for all entrepreneurs occurred at the university level. It was the educational element that provided four of the nurse entrepreneurs with additional insight empowering them to diversify and look beyond their current area of practice. The educational component evolved over a number of years for each entrepreneur, ranging from 2 years to several years. Only one nurse entrepreneur had already initiated her business prior to

receiving her initial Bachelor of Science degree. The entrepreneur recalls her experience with education: "I was really into my business about 3 years before going back to get my Bachelor's degree. My Bachelor's degree was my personal and professional goal after I had gotten my RN" (Personal confidential communication, August 1995). The additional four entrepreneurs went back to school and subsequently became autonomous nurses.

Discontentment

Four of the nurse entrepreneurs described a feeling of discontent with the acute care setting environment, which then gave them the impetus to continue their education. One entrepreneur recounted her experience with discontentment:

I could not get off the night shift, it was becoming harder and harder on my family and I needed to do something different. I started teaching classes at the hospital and I noticed people were coming to me and asking me questions. I wanted to work in the education department at the hospital, but the job required a Bachelor's degree in Nursing. That is when I decided I should go back to school (Personal confidential communication, August 1995).

Additional reasons for feeling discontent were given as, "I felt powerless in the hospital bureaucracy, things took so long to change" (Personal confidential communication, August 1995), and "I was not feeling challenged in

my job anymore. I wanted something different" (Personal confidential communication, August 1995). Discontentment appeared to be the driving force for four of the nurse entrepreneurs to acquire a higher level of education. It was during or just after the completion of additional educational degrees that led the entrepreneurs to the crystallization stage.

The Crystallization Stage

The crystallization stage (Guess, 1992) occurred just after or towards the latter part of the formative stage. It was then that the entrepreneurs began to promote the formation or solidification of entrepreneurial concepts into business ideas. Encompassed in this stage are the subcategories of special skills and networking.

Special Skills

Each of the entrepreneurs had special nursing skills in their area of expertise. Four of the entrepreneurs verbalized that other professionals were coming to them to seek out advice and have questions answered. One entrepreneur recalls that after graduate school,

I began to write articles and publish books on maternity nursing and developed ways to practice that were considered innovative or contemporary. Practicing nurses would call me and ask me questions about what I wrote about, and a few hospitals called and asked me if I

could help them do what I wrote about. So I did not set out to become an entrepreneur (Personal confidential communication, August 1995).

The entrepreneurs came to the realization that their skills were valuable. As this crystallization progressed, each entrepreneur verbalized a specific target population related to their area of expertise. It was during this stage that four of the entrepreneurs began to look beyond their specialty areas in nursing into forming their own business venture. This expansion of knowledge took a considerable amount of time for most entrepreneurs, in some cases up to 2 years.

Exploring/Networking

During the time when the entrepreneurs were expanding and solidifying their business ideas, all of the entrepreneurs acquired a substantial amount of information through observing and collaborating with other experts. These experts included different practicing nurses, friends owning their own businesses, and other nurse entrepreneurs. In addition to networking, each nurse entrepreneur described the importance of reading journals and books outside the discipline of nursing to focus on business issues. One entrepreneur describes,

I think you keep your nursing as your core, as your foundation, but you get out of it and you read into the business magazines, into the Forbes, Fortunes, the Business Week because health care is one of those

industries that is national. Everything that happens to us as a nation is going to influence health care, and health care is going to affect everything else. You have to know where the opportunities lie outside the health care industry because so much of what happens in those other industries can be applied to our own (Personal confidential communication, August 1995).

It is during the exploring and networking stage when the entrepreneurs direct their efforts towards getting started on their individual enterprises.

Getting Started

The getting started stage (Guess, 1992) revealed remarkable similarities among the entrepreneurs. Although each entrepreneur worked in various areas of expertise, the steps taken to implement their business were very alike. The getting started stage incorporates the subcategories of finding a niche, process timing, and setting up a business.

Finding A Niche

The co-independent nurse entrepreneur was employed as a nurse practitioner in a clinic when she identified a need for a pediatric nurse practitioner in a rural community. Without delay, she acted on the proposal by contacting a physician specializing in children's care. The pediatrician was willing to assist her in the endeavor and without hesitation she moved from an employee position to one as a mobile self-employed nurse, making regular

visits to the rural community areas. She recalls, "I identified a need and acted on it immediately" (Personal confidential communication, September 1995).

The four entrepreneurs acting as consultants found their niche in business in various ways. The productivity consultant specialized in women's health issues, and recounts long hours of library research directed towards business initiation. This entrepreneur knew there was a need that should be filled, yet she had to become more prepared on entrepreneurial issues.

The three other nurse consultants began their entrepreneurial roles in similar fashions. Each of these entrepreneurs were sought out for their expertise. The home-care specialist recalls a physician coming to her and asking why there was no home-care nursing in an exclusive area where the entrepreneur resided. He asked if she would be willing to go to their homes and provide nursing care. At that point in time, the entrepreneur knew there was a need she would tap into.

The group process consultant was working as a director of a neonatal unit while completing her Master's degree in Counseling. The hospital came to her and requested that she intervene on team-building issues. From that time on, she began to realize that there was a definite need for someone to mediate interpersonal relationships and subsequently began to market herself.

Last, the educational specialist received her opportunity for autonomy by offering educational classes to other hospitals and through community

education. She recalls, "Going through some very tough times" and contemplated giving up until she received a request for a large educational course (Personal confidential communication, August 1995). This entrepreneur states, "I did not hold any clout locally. I had to get out of my geographical area to be seen as a specialist" (Personal confidential communication, August 1995). As a result, the entrepreneur travels regularly to give lectures and courses on various topics.

Process Timing

In addition to the finding a niche stage, process timing was identified as a critical component for all of the entrepreneurs. As one entrepreneur states, "You must keep your finger on the pulse of health care, know what you want to do, and get in when the time is right" (Personal confidential communication, September 1995). This type of response was repetitive and was received from all nurse entrepreneurs. The notion of finding a niche in health care was evident with all the nurse entrepreneurs, but more importantly was the articulation of critically timing your business initiation. "Knowing what your community needs and how to respond in a timely manner is crucial for successful business initiation" (Personal confidential communication, September 1995). At this time in the process, the entrepreneurs knew what they wanted to do and how they were going to do it.

Setting Up

The entrepreneurs worked in vastly different specialty areas, yet specifics relating to the process of setting up their businesses had many similarities. For example, all five of the entrepreneurs obtained a business license upon initiation of their business and only one entrepreneur was not current with licensure. When questioning each entrepreneur regarding whether or not they did a market analysis on the need for their service, not one entrepreneur had conducted an analysis. In addition, only one of the entrepreneurs had developed a business plan prior to venture initiation.

All of the entrepreneurs identified the need to consult with experts in the business field. The need for specialized services varied according to the type of business initiated. Four of the nurse entrepreneurs consulted with lawyers upon formation of their business, and two continue to meet at regular intervals with their lawyers. Each entrepreneur initially contacted an accountant and all continue to do so on a regularly scheduled basis. The co-independent nurse hired a nurse-accountant who specialized in medical billing. This entrepreneur states, "It is absolutely necessary to put out the money to hire a financial accountant; the livelihood of my business depends on it" (Personal confidential communication, August 1995).

The group process consultant, productivity consultant, and the home-care specialist obtained office space for their business ventures. The education consultant worked from within her home. The co-independent nurse worked from home and carried her equipment in her car to and from the rural communities she serviced.

Four of the entrepreneurs began their businesses by developing flyers, brochures, advertising in local papers, and networking with other professionals. The group-process consultant initiated her business by word of mouth and continued in this manner. The home-care specialist had additional publicity by marketing her services on local television commercials in areas in which she rendered services.

Specific funding sources for the entrepreneurs varied slightly. Only the productivity consultant required a private loan for business initiation. The four other nurses describe funding sources from personal financing, credit cards, and savings accounts. The nurses state the start-up costs were relatively minimal, ranging from \$500 to \$3000.

Problems and Strategies

Throughout the process of initiating a business venture, each nurse entrepreneur identified varying obstacles. A total of 5 problems were specified, ranging from third party reimbursement issues to jealousy among peers. Each obstacle will be further discussed in more detail.

One nurse entrepreneur discussed areas of resentment and inadequacy voiced by physicians. The entrepreneur stated, "I will tell you right now that it is not an asset to identify yourself as a registered nurse in the business world"

(Personal confidential communication, August 1995). She elaborated by stating,

Physicians do not like it. I think it is the threat that comes with change.

This is a new role. In the next generation it is going to change, but we are working with some of the old stereotypes in this generation. As more and more nurses become entrepreneurs and become successful

business people, that is going to change. This generation will change it, I really believe that (Personal confidential communication, August 1995).

Despite the lack of notability this entrepreneur may have to deal with at times, she was very clear when she revealed her own personal strategies,

I have made a pact with myself right up front never to deny who I am and what I am and the fact I would be proud of it wherever I went. I use my nursing background proudly and I frequently introduce myself as an old nurse who has been around for a long time. I notice that is pretty hard to argue with, yet I have had physicians walk out and refuse to listen. If I had said I have a doctorate in higher education and was the president of this company and we specialize in women's health care and marketing analysis and implementation, they would have stayed. But I do

not do that. That is a decision I made up front (Personal communication, August 1995).

A second problem reported by three of the nurse entrepreneurs was the issue of jealousy among colleagues. As one of the entrepreneurs recollects, If anything, I found that most of my nursing colleagues were happy to sabotage me. It is unfortunate. I think it is the unhealthy aspect of nurses and their passive-aggressive behavior. I think it is endemic in this field and this relationship because they do not want you to succeed. It is something they all think that they can do themselves and because you have done it, they have missed out (Personal confidential communication, August 1995).

She concluded that although this sort of attitude was most unfortunate, she states,

To me it is a convoluted way of looking at things because the reality is I have hired over 400 people in this corporation. I put them in jobs. They get a paycheck, their kids go to school, they can shop at Albertson's. They go to the theaters, they support their own local communities. Why would you not want to support somebody that was creating jobs and putting food on the table. So there it is, jealousy is very prevalent and I do not know how to overcome it other than being good and being successful (Personal confidential communication, August 1995).

An additional obstacle reported by one nurse entrepreneur was the issue of overachievement. She stated, "My biggest problem is myself. I tend to be a perfectionist and pay too much attention to details" (Personal confidential communication, September 1995). She goes on to discuss how she is very aware of her characteristics and continues to work on these issues by letting some of the unnecessary details go by the wayside.

The last problems encountered by the co-independent entrepreneur were in the areas of insurance reimbursement and the decline in physician malpractice insurance to cover standing protocols of nurse practitioners. In the area of insurance reimbursement the entrepreneur states, "My clients pay me cash for services rendered and then they bill their insurance companies. Some companies will reimburse and some will not. It is very frustrating because there is no continuity in this state" (Personal confidential communication, September 1995). She goes on to address this problem by submitting a letter to each declining insurance company which includes such information as: this is discriminatory action, patients deserve a choice, and discusses how a nurse practitioner is a cost-efficient method of delivering health care. The entrepreneur remarks on how effective her letters have been in receiving reimbursement, and she encourages her clients to send additional letters with similar information to their legislators.

The last problem identified, in addition to the above, was reflected in one of California's medical insurance carrier's decision to refuse malpractice insurance to any physician who is co-working with a nurse practitioner. The insurance company will deny malpractice insurance to physicians covering standing-orders of nurse practitioners unless they are employees of that physician. The nurse entrepreneur remarks, "The decision is very frightening for me. Historically I meet with this physician 3 or 4 times a year and in addition discuss cases regularly by telephone. He has been very supportive of my practice, but now he stands to lose his own malpractice insurance" (Personal confidential communication, September 1995). This obstacle was in the initial phase during the interview appointment and, therefore, no resolution was concluded. The entrepreneur did state, "The physician has filed a complaint against the decision and we are waiting to hear from the company" (Personal confidential communication, September 1995).

The categories noted in this thesis are very similar to analysis of data reported by Kelly Guess (1992). In Guess' analysis, she identifies division one as the formative stage. The entrepreneurs described some degree of discontentment in their work and the urge to pursue additional education. Guess portrays the entrepreneurs as searching, exploring, and narrowing ideas of autonomy during this stage. The entrepreneurs in this research study clearly identified education as the key component to the "independent realization" that

they could be autonomous. Therefore, acquisition of higher knowledge is used to delineate category one in this study. Guess depicts her second category as special skills, describing special attributes and characteristics of the entrepreneurs used for her study. In this study it was during the second stage that each entrepreneur came to the conclusion they had something special to offer. It was also during this time that the entrepreneurs started to explore and network into other business areas. Guess' third category is process timing and movement. Guess discusses critical life circumstances which led the nurses to entrepreneurship. Guess' fourth category, the crystallization stage, encompasses the notion of the entrepreneurs' realizing they had special skills in their areas of expertise. In addition, Guess describes the entrepreneurs as defining and solidifying their businesses. Guess' fifth stage, the getting started stage, is reached when the entrepreneurs initiated concrete steps to open a business and actualize independence. Guess' fifth stage is similar to this study's third division also categorized as the getting started stage where the entrepreneurs begin formal steps to initiate business venture. The terms Guess utilized to depict each stage, (a) the formative stage, (b) the crystallization stage, and (c) the getting started stage, were appropriate for each division of this study and were therefore utilized to categorize the analysis of this data.

As with Guess' (1992) thesis, the final category which influenced the entrepreneurial process, yet is not a part of the developmental stages,

addressed the second research question. This area identifies specific problem areas which were encountered by the nurse entrepreneurs, as well as strategies used to overcome them.

After careful examination and re-examination of the overall process between both studies a great number of similarities were identified. All of the participants from both studies vacillated between the formative, crystallization, and getting started stages. There were also differences between the two studies. In Guess' thesis, not one entrepreneur used a formal business plan prior to venture initiation. In this study, only one entrepreneur developed a business plan. No market analyses were done on any of the entrepreneurs' products prior to business initiation. Entrepreneurs from both studies used skilled consultants for business initiation. A difference between studies can be noted in this study when four of the entrepreneurs acquired higher knowledge and then began to identify ways to become independent. In the previous study, it was not identified that education was the impetus to autonomy. Both studies identified obstacles encountered when becoming entrepreneurs. Interestingly, jealousy among colleagues was overwhelmingly listed in both studies.

Chapter 5

CONCLUSIONS AND RECOMMENDATIONS

Entrepreneurism among nurses is growing throughout the nation. This study reviewed the process by which 5 nurses became entrepreneurs and the problems they encountered in this process.

Summary of Findings

The nurse entrepreneurs who took part in this study approached the initiation of their businesses through a process similar to those reported by Guess (1992). The results of this research verified Guess' previous research which identified stages and subcategories describing the process by which nurses become entrepreneurs, some problems they encounter, and the strategies they use to overcome them.

The Formative Stage

The formative stage, the first stage, encompasses the two subcategories: acquisition of higher knowledge and discontentment. The formative stage evolved as nurses acquired greater knowledge through higher levels of education. Discontentment with present working conditions led each entrepreneur to expand and diversify her current ways of practicing nursing.

The Crystallization Stage

During the process of becoming an entrepreneur, each of the nurses experienced a crystallization which subsequently led them to their particular business venture. The entrepreneurs began to formulate the idea of becoming autonomous. Subcategories identified in this stage include: special skills and exploring/networking. The entrepreneurs realized they had special skills and areas of expertise often identified by other health care professionals. Experts were sought out by each entrepreneur in an attempt to expand and solidify their business ideas. All of the entrepreneurs looked outside the discipline of nursing to gain more familiarity and proficiency in business matters. It was at the end of the crystallization stage that the entrepreneurs began to identify their niche as business women.

Getting Started Stage

Although each of the entrepreneurs had very separate specialty areas, similarities were manifested in the process of business initiation. The getting started stage included the subcategories: finding a niche, process timing, and setting up.

In the subcategory of finding a niche, nurses chose various avenues for getting started. The variations were a result of their different specialty areas. The co-independent nurse had to find a physician willing to support her endeavor. The productivity consultant spent a significant amount of time researching areas

of business initiation. The three remaining entrepreneurs were sought out to initiate a business relating to their special skills.

Each of the entrepreneurs reported the importance of identifying a time pivotal to initiating their business. The idea of finding a deficit in health care services and acting on it in a timely manner was reported as a critical component for a successful business.

Setting Up

All of the entrepreneurs initiated their business venture in a rudimentary fashion. Not one of the entrepreneurs performed a market analysis on their service. Only one entrepreneur created a formal business plan. All of the entrepreneurs did obtain a business license for their ventures.

Consultation by experts in the business field was identified as a necessary component for each of the entrepreneurs. These specialists varied according to the business initiated. All of the entrepreneurs sought out legal counsel and formal accounting advice.

Three of the entrepreneurs required purchasing of office space, while the other two worked within their homes. The accountability of these two entrepreneurs was mainly to themselves and this did not affect the well-being of their clients.

The entrepreneurs went about various ways of funding their endeavors. Sources included personal financing, credit cards, and savings accounts. Reported initial investment costs ranged from \$500 to \$3000.

Problems and Strategies

A total of 5 problems and strategies were identified. Three of the nurse entrepreneurs reported jealousy among colleagues as a major obstacle. Each of the entrepreneurs reported the use of individual strategies to overcome collegial resentment. Additional obstacles were seen as personal conflicts and specific problems encountered when working co-independently. All of the problems and the strategies used to overcome them provide useful information for future entrepreneurs.

Conclusions Regarding the Overall Process

The findings of this study regarding becoming an entrepreneur have application within and outside the nursing domain. Knowledge of the developmental steps taken in becoming an entrepreneur can be a useful guide to anyone considering this career move. The strength of this research is that it verified and extended Guess' (1992) findings. This researcher found that, although each of the participants in this study worked in various specialty areas, the nurses all passed through the same process in becoming an entrepreneur. This shows the process is consistent and therefore may have applications beyond the small group of persons who participated in this study.

Many of the findings in this study supported or disputed the literature. Burch (1988) recommends that aspiring entrepreneurs develop business plans and perform market analyses on their products. In contrast, none of the entrepreneurs in this study reported conducting a market analysis and only one entrepreneur produced a business plan, yet they were successful anyway. These findings are similar to those reported by Guess (1992). Not one of the nurse entrepreneurs in her study developed a business plan or a market analysis. This failure to do a business plan may be attributed to a lack of formal business training on the part of the nurse entrepreneurs. Calfee (1994) reported that there are educational resources for nurses wishing to become business owners, yet potential entrepreneurs are not aware of them.

All of the participants in this study attained additional education at the university level which led four of the nurses to diversify and expand into entrepreneurial roles. Batra (1990) reports that graduate students in nursing programs are demonstrating an increased interest in developing health care delivery businesses. In agreement with Batra and Guess' (1992) findings, this study found that the educational component occurring at the graduate level enabled nurses to adapt and diversify into entrepreneurial roles.

All of the entrepreneurs in this study reported that two components are essential to starting a successful business. These are: (a) an astute knowledge of health care deficits, and (b) critical timing. Patterson (1994) states there is a

great potential for nurses to expand upon services that were once offered by hospitals. Clark and Quinn (1988) encourage nurses to look for deficits in health care and act on them in a timely manner. Guess (1992) reported that the entrepreneurs who participated in her study were both observant and resourceful. Guess also described the entrepreneurs as having an astute power of observation which increased their ability to recognize opportunity. She wrote that the nurse entrepreneurs, "knew what did not exist, found out what needed to be done, and then did it" (p. 45).

As noted previously, the findings of this study revealed similar stages to those reported by Guess (1992). Guess identified six stages in the process of becoming an entrepreneur. This study found four of Guess' stages relevant for the participants in this study. The four stages included: (a) the formative stage, (b) the crystallization stage, (c) getting started stage, and (d) problems and strategies. Each of the components within these stages are discussed in Burch's (1988) conceptual framework. During the first component, "aspiring entrepreneur," Burch identifies that all people have an equal opportunity to become entrepreneurs. Burch goes on to say that aspiring entrepreneurs are opportunity-sensitive and can readily spot viable business opportunities. This is parallel to the formative stage in this study when the entrepreneurs begin to contemplate the notion of autonomy.

Burch's (1988) framework represents the "collaborative affiliation" as the intellectual component when various agencies give guidance and expertise to entrepreneurs. It was during the crystallization stage when the entrepreneurs in this study began to solidify or expand their business ideas. The nurse entrepreneurs in this study acquired a substantial amount of business information by observing and collaborating with other experts.

The final stage in this study, the getting started stage, includes many similarities to Burch's (1988) component of "venture incubator." It is during this period of the entrepreneurial process that the business venture is initiated. Accountants, lawyers, and other financial experts were utilized by the entrepreneurs to bring their ventures to full commercialization.

The final implication of this study can be noted in the problems encountered throughout the entrepreneurial process and the strategies used to overcome these problems. In this study and Guess' (1992) previous works, jealousy among colleagues was the most commonly identified problem. The entrepreneurs from both studies related using personal strategies to overcome the resentment. Of significance to aspiring entrepreneurs is the knowledge that jealousy is a potential problem, and that they should be alert for it and take steps to manage it. All of the problems and strategies noted in this study provide foresight and direction for future nurse entrepreneurs.

Scope of the Study

This replication study (Guess, 1992) used an exploratory design to determine similarities and differences in the process of becoming a nurse entrepreneur between this and Guess' group of participants. This study was intended to help aspiring nurse entrepreneurs. Although the number of participants was small, the fact that the process which emerged from this data was similar, verified the findings reported by Guess. Results of this study can provide useful information for the planning, implementation, and evaluation stages of entrepreneurship. Specific obstacles were identified in an effort to aid the potential entrepreneur from involving themselves in similar situations. This study also identified that nurses are unprepared in business issues. This indicates the need for nursing educators to plan their curriculum to include these subjects.

Limitations

Several limitations were identified in this study. The first limitation is that a convenience sample was used. Also, the sample represented nurses from a small geographical location only. In addition, only a small sample size of 5 nurse entrepreneurs was utilized in this study, and therefore cannot be generalized to a larger nursing population.

Other factors limiting generalization include the gender and race of participants. All the entrepreneurs were female and of Caucasian ethnicity.

Gender and race were not consciously omitted by this researcher. Each entrepreneur was recommended by personal references. Due to this limitation, the results cannot be generalized to male nurses or to nurses of different ethnicities.

Researcher bias is identified as the last limitation. To decrease bias, all interview questions were conducted using open-ended questions in an effort to promote an unstructured flow of responses. Utilizing open-ended questions rather than direct questioning encourages unrestricted thought processes which diminishes potential bias (LoBiondo-Wood & Haber, 1994).

Recommendations

At the completion of this research study, a number of recommendations can be made to increase generalization.

1. Similar studies should be done in other geographical areas.
2. Replication studies should include male nurse entrepreneurs and those of various ethnicities.
3. A larger sample size should be obtained.
4. Similar studies should be done by other disciplines to compare results.

Summary

Entrepreneurship among nurses is increasing. The literature describes how nurses are interested in becoming autonomous, yet lack the business knowledge to carry out this option. This study explored the process by which

5 nurses became entrepreneurs. Nurses who are interested in entrepreneurship can utilize these findings to ascertain how other nurses became successful business owners. Analysis of this research data will assist nurses to identify potential sources of capital as well as various resource agencies which support business initiation. Nurses can also utilize this study to foretell potential problems and plan accordingly.

As hospital restructuring continues and the role of traditional nursing changes, there will be more opportunities for nurses who wish to become autonomous. Research identifies increasing numbers of nurses who are attending business schools in an effort to become knowledgeable in this area. Only one graduate program in nursing offers an advanced practice degree in nursing entrepreneurship. All of the participants from this study clearly identified additional education at the university level as the impetus which led them to autonomy. This study can help nursing educators look at current trends within the profession and reexamine their curricula to meet the needs of the business oriented nurse.

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APPENDIXES

APPENDIX A
Interview Guide

Interview Guide

1. What were the steps you took to become an entrepreneur?
2. Did you take classes to help you start your business? If so, what kind?
3. Did you have to obtain a business license?
4. Did you do a market analysis on your service/product? If so, what did it consist of? What areas did you survey (hospitals, patients, local businesses, nurses)?
5. Did you consult with other people (lawyers, other nurses, business associates, bankers)?
6. Did you target specific populations and/or locations prior to opening your business?
7. Did you develop a business plan? If so, what outline did you use?
8. How did you implement your plan, and how long did it take before showing a profit?
9. Did other people in your field assist you? If so, whom?
10. What type of services/products do you offer?
11. How did you receive funding?
12. Have you diversified your business?
13. What obstacles have you met, and what strategies were used to manage them?
14. What are your suggestions for future entrepreneurs?

APPENDIX B
Human Subjects Approval



A campus of The California State University

Office of the Academic Vice President • Associate Academic Vice President • Graduate Studies and Research
One Washington Square • San Jose, California 95192-0025 • 408/924-2480

TO: Dawn Tamagni
22315 Berry Drive
Salinas, CA 93908

FROM: Serena W. Stanford *Serena W. Stanford*
AAVP, Graduate Studies & Research

DATE: June 29, 1995

The Human Subjects-Institutional Review Board has approved your request to use human subjects in the study entitled:

"A Replication Study of the Steps and the Obstacles
Encountered in Becoming a Nurse Entrepreneur"

This approval is contingent upon the subjects participating in your research project being appropriately protected from risk. This includes the protection of the anonymity of the subjects' identity when they participate in your research project, and with regard to any and all data that may be collected from the subjects. The Board's approval includes continued monitoring of your research by the Board to assure that the subjects are being adequately and properly protected from such risks. If at any time a subject becomes injured or complains of injury, you must notify Serena Stanford, Ph.D., immediately. Injury includes but is not limited to bodily harm, psychological trauma and release of potentially damaging personal information.

Please also be advised that each subject needs to be fully informed and aware that their participation in your research project is voluntary, and that he or she may withdraw from the project at any time. Further, a subject's participation, refusal to participate, or withdrawal will not affect any services the subject is receiving or will receive at the institution in which the research is being conducted.

If you have any questions, please contact me at (408) 924-2480.

APPENDIX C
Information Letter

Date _____, 1995

Dawn P. Tamagni, R.N.

Dear _____:

I would like to thank you for agreeing to participate in a graduate study concerning Nurse Entrepreneurs. This study will focus on the processes and steps utilized in order to open your business. Also encompassed in the study will be any obstacles you faced while trying to initiate your venture. Data will be collected via a personal interview. This process will take approximately one hour and will be conducted at the location of your choice. All information will be confidential. Participation is strictly voluntary, and you may withdraw at any time.

The results of the study will increase our knowledge and understanding of the nursing entrepreneurial process. Attached is a consent form. As discussed on the telephone, our appointment is scheduled for _____ at: _____.

If you have any questions, I would be happy to talk with you. I can be reached at _____.

Sincerely,

Dawn P. Tamagni

APPENDIX D
Informed Consent Letter



A campus of The California State University

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AGREEMENT TO PARTICIPATE IN RESEARCH
SAN JOSE STATE UNIVERSITY

RESPONSIBLE INVESTIGATOR: Dawn P. Tamagni

I have been asked to participate in a research study that is investigating nurse entrepreneurs. The results of this study should further our understanding of the process of becoming an entrepreneur and the strategies utilized to be successful.

I understand that:

1. I will be asked questions about the processes taken to start my business.
2. This interview should take approximately one hour and held at a time and place of my preference.
3. There are no anticipated risks of this study.
4. The possible benefits of this study are an increased awareness of the nurse entrepreneurial process.
5. There are no alternative procedures for this study.
6. The results from this study may be published, but any information from this study that can be identified with me will remain confidential and will be disclosed only with my permission.
7. I will receive no compensation as a research subject.
8. Any questions about my participation in this study will be answered by Dawn P. Tamagni (408) 455-8564. Complaints about the procedures may be presented to Dr. Colleen Saylor (408) 924-1321, Department Chair for the Graduate Nursing Program at SJSU. For questions or complaints about research subjects' rights, or in the event of research-related injury, contact Serena Stanford, Ph.D. (Associate Academic Vice President of Graduate Studies & Research) at (408) 924-2480.
9. My consent is given voluntarily without being coerced; I may refuse to participate in this study or in any part of this study and I may withdraw at any time, without prejudice to my relations with SJSU.
10. I have received a copy of this consent form for my file.



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I HAVE MADE A DECISION WHETHER OR NOT TO PARTICIPATE. MY SIGNATURE
INDICATES THAT I HAVE READ THE INFORMATION PROVIDED ABOVE AND THAT I
HAVE DECIDED TO PARTICIPATE.

Date

Subject's Signature

Investigator's Signature